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Fisheries of Uruguay, 1975

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U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Marine Fisheries Service

FISHERIES OF URUGUAY, 1975

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ABSTRACT

The waters off Uruguay are one of the few remaining fishing grounds with significant stocks of fish and shellfish that have not been fully harvested. Uruguayan fisheries, a previously insignificant commercial activity, are developing into a growing and important industry. During the 1960s, Uruguay's catch averaged only a little over 10,000 metric tons (t) per year. In 1975, the catch increased to over 25,000 t, and further significant increases are planned. There is a limited domestic market for fishery products, and much of Uruguay's production is frozen and exported. The development of Uruguayan fisheries will necessitate the purchase of vessels and equipment abroad, creating a potential market for United States manufacturers and shipyards.

Figure 1.--Map of Uruguay

I. INTRODUCTION

The object of this study is to provide information on the rapidly growing Uruguayan fishing industry. Comments and opinions contained herein are the result of visits to local fishing companies, processors, importers, exporters, and government officials, as well as the study of published data. The report highlights the positive potential for sales of fishing vessels and marine supplies, fish processing equipment, and cold storage and freezing facilities. U.S.-made products enjoy an excellent reputation and are often preferred because of their advanced technology and superior quality. However, adequate and competitive financing is a must. In addition, United States importers may be interested in Uruguay's ability to offer increasing amounts of a variety of fishery commodities.

II. ECONOMIC SITUATION

Economic stagnation during much of the past two decades has inhibited progress in this agriculturally rich and formerly prosperous land. A fundamental change in economic prospects is now being brought about by a seemingly determined effort to reform the economy.

In 1973, the Uruguayan Government committed itself to a gradual freeing of the economy from the many onerous, if often well-intentioned, State controls. The policy of industrialization through import substitution is being replaced by a policy of import liberalization. This policy favors the promotion of export industries based on domestic raw materials in which Uruguay appears to have competitive advantages. In addition to the traditional exports of meat, wool, and wheat, expansion is now underway in the production of fish, rice, sugar, fruits, and vegetables, as well as textiles and leather goods. The Uruguayan gross domestic product increased almost 4 percent in 1975, a good showing considering the world economic downturn that year. The Government's policy of encouraging private investment and initiative, if energetically applied, should succeed in helping Uruguay regain its position as one of Latin America's most prosperous countries. One of the industries that will benefit from these developments is Uruguay's small fishing industry. Although fisheries contributed less than 1 percent to Uruguay's gross national product in 1974, fisheries exports are an important and rapidly increasing source of foreign exchange.

III. FISHERY RESOURCES

The Southwest Atlantic is one of the few areas in the world where the main problem is too little fishing rather than too much. Insufficient resources are unlikely to be a constraint on the further development of Uruguayan fisheries, even though some important fish species, including hake, make seasonal migrations between Argentine and Uruguay-claimed waters and thus appear only seasonally off Uruguay. However, Uruguayan vessels can operate in Argentine waters under the terms of the Treaty of Rio de la Plata signed in 1973.

IV. FISHING GROUNDS

Uruguay's commercial fishing grounds are divided into river, coast continental shelf, and coastal lake areas. Appendix A shows Uruguay's principal fishing grounds. The river fisheries are located between Colonia and Montevideo (fig. 1). The coastal fishery takes place in waters as deep as 30 meters (m) between Montevideo and Chuy on the Brazilian border.

The continental shelf fishery takes place between Punta del Este and Chuy. The shelf is only 130 to 160 kilometers (km) wide between latitudes 33°7'S and 34°7'S, but Uruguay claims and enforces a 200-mile (322 km) Territorial Sea. Shrimp, centoya (southern king crab), and other invertebrates are found on the continental shelf during their adult life. These species, however, are caught incidentally with other species. Mussels are fished commercially in a 8 km-wide belt along the shelf near the coast from Punta del Este to and beyond Chuy. Oysters, soft-shell clams, and perwinkles may be present in the waters between Punta del Este and Chuy, but have not yet been found in commercial quantities.

The coastal lake region is composed of five large, nutrient-rich "lakes", three of which (Lagunas Jose Ignacio, Garzon, and de Rocha) periodically open to the sea allowing the entry of shrimp and a variety of marine fish.

V. FISHING FLEET

The Uruguayan Government owns a company, Industria Lobera y Pesquera del Estado (ILPE), which operates a fishing fleet and a processing plant. The company's fleet is composed of four old, high-seas refrigerated side trawlers with a total holding capacity of 410 t. Formerly known as SOYP, it reportedly enjoys a reputation of supplying fishery products which are consistently of high quality.

Uruguay's private fishing fleet consists of 13 stern trawlers of different sizes with a total holding capacity of 2,483 t. Three of these vessels are 50- to 70-m long factory trawlers capable of freezing their catch at sea. They were bought before the Uruguayan Government decided to base expansion plans on smaller trawlers designed to deliver fish to processing plants on shore. The Government does not currently plan to authorize the purchase of additional large trawlers.

The private sector is planning to add two more stern trawlers with holding capacities of 50 t each and two with holding capacities of 150 t by the end of 1976. Future development plans provide for Uruguay's private fishing fleet to grow to a total of 70 modern stern trawlers, or four times the present number.

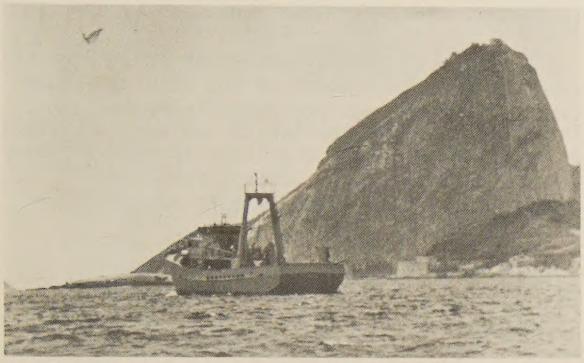


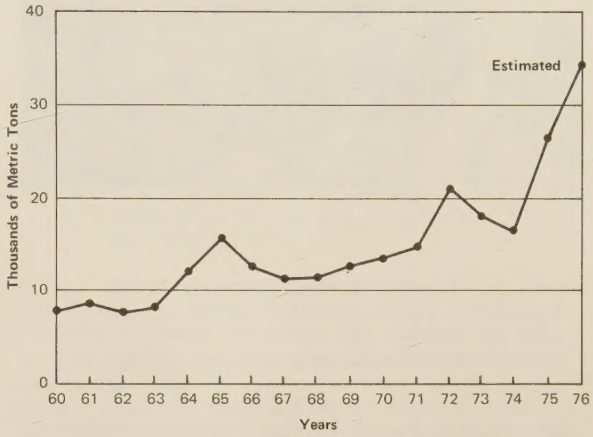
Figure 2.--Small Uruguayan stern trawler (c) Uruguayan Government Trade Bureau in New York.

According to Government statistics there are also 35 coastal side trawlers from 10 to 50 years old which supply their catch for export, and up to 300 small boats engaged in fishing for local consumption.

VI. FISHERIES CATCH

The South Atlantic/Rio de la Plata area is one of the few remaining grounds with significant stocks of fish and mollusks that have not been fully harvested. Uruguay's fisheries, a previously insignificant commercial activity, is developing into a growing and important industry. During the 1960s, Uruguay's fisheries catch averaged 11,300 t, reaching a high of 15,800 t in 1965. In the 1970s, Uruguay's catch has increased to 26,200 t in 1975 or 128 percent more than was caught in 1970. The estimated catch for 1976 is approximately 30,000 t (fig. 4).

Figure 3.--Landing fish from the San Genaro, an old side trawler, at Montevideo's fishing pier. Note how the freeboard of the Almafuerte, reconstructed in 1973, has been built up. (c) USIS, Montevideo.



Year	Quantity	Year	Quantity
	1,000 Metric tons		1,000 Metric tons
1960	7.8	1969	12.7
1961	8.7	1970	13.2
1962	7.5	1971	14.4
1963	8.1	1972	20.6
1964	12.2	1973	17.5
1965	15.8	1974	16.0
1966	12.5	1975	26.2
1967	10.9	1976	E30.0
1968	11.3	E - Estimated	

Figure 4.--Uruguayan fisheries catch, 1960-76 Source: FAO. Yearbook of Fishery Statistics, 1974, and the Instituto Nacional de Pesca for 1975 and 1976 data.

Uruguayan fishery officials hope that the country will achieve its goal of having a fleet capable of catching 200,000 t by 1980, providing the necessary funds are available for fleet and plant expansion. The National Fishing Institute (INAPE) recognizes, however, that the actual landed catch is likely to lag behind the theoretical capability of the fleet for a few years, because it takes time to train new crews and because of other difficulties that face a country not having a seafaring tradition or trained labor force in fishery-related skills. It was hoped the country's fishing fleet would have a theoretical annual fishing capability of 60,000 t by the end of 1976. Delays in vessel deliveries, however, will probably hold the fleet's catching capability below 50,000 t in 1976 while the actual catch will amount to only about 30,000 t.

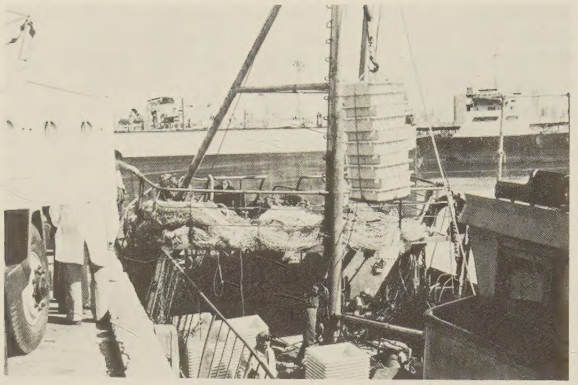


Figure 5.--Landing fresh fish in plastic containers in Montevideo's harbor. The fish will be trucked the short distance to ILPE's waterfront processing plant. (c) USIS, Montevideo.

The species caught in the largest quantities are those destined for export. Patagonian hake[1/] (Merluccius hubbsi) was the most important species caught in 1975, totaling 9,800 t, or 38 percent of Uruguay's total fisheries catch.

1/ Patagonian hake is marketed as whiting in the United States and is called "merluza" locally. It should not be confused with red hake or "brótola" (Urophysis brasiliensis), which is not of great commercial value and is only consumed locally. Landings of this species were about 1,000 t in 1975.

Hake landings declined significantly in 1974 as Uruguayan processing plants ceased purchases from Argentine and Brazilian vessels that had been allowed to operate under contract in Uruguayan-claimed waters. Other important species caught by Uruguayan fishermen include white croaker or "mingo" (5,600 t), weakfish (3,400 t), and several species of sharks (3,000 t). Table 1 shows the catch by species.

A glossary of species caught in Uruguayan waters and an indication of the fishing season for each species are presented in Appendix B. In addition to the species in table 1, a harvest of seals and southern sea lions is also of some commercial importance. This harvest, for conservation reasons, is an ILPE monopoly.

VII. FISHING PORTS

Fishing pier facilities are poor in Uruguay, but are being improved. Montevideo has fishing docks for deep-sea vessels. La Paloma is the second most important port and serves as a base for the shark longlining vessels. Piriapolis and Punta del Este as well as La Paloma could handle high-seas trawlers if substantial dredging were done and new pier facilities were built or added to existing docks. Work has already begun to improve the fishing ports at Piriapolis and La Paloma.

VIII. FISHERY PRODUCTS

In 1975, a total of 15,300 t of fishery products were processed. Most of Uruguay's fisheries catch is either marketed fresh in ice or frozen. Nearly 6,000 t was marketed fresh and

Table 1.--Uruguayan fisheries catch, by species, 1970-75

Species	Quantity					
	1975	1974	1973	1972	1971	1970
	Metric tons					
Fish						
Freshwater						
Catfish	61	300	negl.	negl.	negl.	negl.
Marine						
Flatfish	45	100	100	negl.	negl.	negl.
Whiting	9,847	1,500	4,500	8,500	3,700	3,700
Codlike species	20	100	NA	NA	100	NA
Striped weakfish	3,394	4,400	6,100	4,500	3,100	2,500
White (drum) croaker	5,594	4,000	2,800	2,800	2,900	2,400
Perchlike species						
Demersal	457	1,400	600	500	400	200
Pelagic	-	100	negl.	negl.	negl.	negl.
Tunalike fishes	4	negl.	negl.	100	negl.	400
Sharks and rays	3,056	2,400	1,700	1,900	1,900	1,800
Unspecified	2,804	1,300	1,200	1,700	1,800	negl.
Mollusks						
Mussels	446	300	300	400	400	400
Squid, short-finned	520	100	200	200	100	100
GRAND TOTAL	26,248	16,000	17,500	20,600	14,400	11,500

Source: FAO. Yearbook Fishery Statistics, 1974 and INAPE. Boletín Estadístico Pesquero, 1975.

almost 7,000 t was frozen in 1975, both amounting to over 80 percent of Uruguay's total fisheries production. Small amounts of fish were also canned and cured. In addition to edible products, Uruguay also produced over 2,000 t of fish meal in 1975 (table 2).

Table 2.--Uruguayan output of fishery products, by commodity, in 1975

Commodity	Quantity Metric tons	Percentage Percent
Edible		
Fish		
Fresh (iced)	5,786	37.74
Frozen		
Whole	626	4.09
Gutted	1,650	10.76
Headed & gutted	3,409	22.24
Filleted	938	6.12
Other	155	1.01
Total, frozen	6,778	44.22
Canned		
Fish only	29	0.19
With vegetables	4	0.02
Cured	165	1.08
Roe	3	0.02
Mollusks		
Fresh and frozen	289	1.89
Canned	73	0.48
Total, edible	13,127	85.64
Nonedible		
Fish meal	2,161	14.10
Fish oil	37	0.24
Agar-agar	3	0.02
Total, nonedible	2,201	14.36
GRAND TOTAL	15,328	100.00

Source: INAPE.

IX. DOMESTIC MARKET

Compared with many other South American coastal countries, Uruguay has a low consumption of fish. The most recent data show an average annual per capita fisheries consumption of 1.8 kg (table 3). While the consumption of seafood has increased slightly in the last few years, there is a strong consumer preference for meat. Per capita consumption of meat in Uruguay is among the world's highest. Most of the fish consumed in Uruguay is sold fresh, while most processed fishery products, especially frozen whole fish and fillets, are exported. The lack of interest in seafoods by Uruguayan consumers has been a serious obstacle to the development of the country's fishing industry.

Table 3.--Consumption of fishery products in South American countries, 1970

Country	Quantity Kilograms
Argentina	2.5
Brazil	2.6
Chile	6.6
Colombia	1.8
Ecuador	1.8
Guyana	11.7
Peru	9.0
Surinam	8.5
Uruguay	1.8
Venezuela	4.7

Sources: U.S. Department of Commerce. NOAA. NMFS. Fisheries of the U.S., 1975, CFS No. 6900: 73-74.

X. FISHERIES TRADE

A. General

Future development in Uruguayan fisheries will be oriented towards export markets owing to the limited domestic consumption of fishery products. The virtual closure in 1974 of the European Economic Community South American beef products, Uruguay's traditional foreign exchange earner, increased the country's awareness of the need to diversify its exports.

The fishing industry is considered a priority industry and enjoys Government incentives in a variety of forms, including tax exemptions and direct loans. Government incentives are also offered in the form of negotiable tax-return

Figure 6.--Filleting fresh spotted sea trout (striped weakfish) at ILPE's processing plant. (c) USIS.

certificates (reintegros) calculated from the FOB price of exports and honored by the local internal revenue office. While it has been announced that they will be gradually phased out, reintegros offer a current incentive to increased production and exports.

Table 4.--Uruguayan fishery exports, 1970-75

	1975		1974		1973		1972		1971		1970	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	Metric tons	$1,000	Metric tons	$1,000	Metric tons	$1,000	Metric tons	$1,000	Metric tons	$1,000	Metric tons	$1,000
Edible												
Fish												
Frozen[1/]	7,048	2,939	2,800	1,168	1,600	686	1,400	253	3,300	410	3,900	652
Canned	52	92	-	-	-	-	-	-	100	155	-	-
Cured	27	64	negl.	25	negl.	85	negl.	23	negl.	25	negl.	23
Crustaceans												
Frozen	NA	NA	NA	NA	-	-	-	-	NA	NA	NA	NA
Canned	2	5	-	-	-	-	negl.	10	negl.	1	negl.	8
Fish meal	NA	NA	NA	NA	-	-	-	-	NA	NA	NA	NA
TOTAL	7,129	3,100	2,800	1,202	1,600	771	1,400	286	3,400	595	4,200	689

1/ May include some fresh and refrigerated fish
Source: FAO. Yearbook of Fishery Statistics, 1974 (1970-74 statistics) and INAPE (1975 statistics).

Table 5.--Uruguayan fishery exports to the United States, 1974-June 1976

	Jan-June 1976		1975		1974	
	Quantity	Value	Quantity	Value	Quantity	Value
	Metric tons	$1,000	Metric tons	$1,000	Metric tons	$1,000
Frozen						
Whole						
Albacore[2/]	1,585.7	699.2	-	-	585.2	258.0
Other	4.6	1.5	26.0	30.8	155.8	74.7
Headed, scaled and Eviscerated	133.0	78.8	689.9	432.5	206.4	120.3
Blocks						
Hake	74.4	23.0	-	-	-	-
Other	49.4	27.1	-	-	15.0[1/]	20.7[1/]
Fillets						
Marine	77.5	62.5	296.9	196.1	104.7	74.6
Freshwater	-	-	-	-	12.5	9.3
TOTAL, Frozen	1,924.6	892.1	1,012.8	659.4	1,079.6	557.6

1/ Includes hake.
2/ Transshipped through Montevideo by a six-vessel Taiwanese longline fleet.
Source: U.S. Department of Commerce. Bureau of the Census.

B. Imports

According to Uruguayan Government statistics seafood imports for consumption in 1975, an apparently average year, were only 21 t of canned seafood. This small amount is due to consumer preference for meat (primarily beef). The low per capita consumption of seafood is adequately provided for by the local fishing fleet. Increased fish processing capacity and a Government program to encourage consumption of meat alternatives may increase seafood consumption in the future.

C. Exports

Between 1970 and 1974 the total quantity of Uruguayan fishery exports declined from 4,200 t to 2,800 t, or by 33 percent. During the same period, the value of these exports, reflecting world demand, increased from US$684,000 to $1.2 million, or almost 75 percent. Almost all of the 1974 exports were frozen fish. According to 1975 statistics, fishery exports increased to over 7,000 t with frozen whole headed and gutted fish predominating (table 4). Brazil (3,029 t), Spain (1,983 t), and the United States (1,012 t) were the most important buyers.

Figure 7.--Checking weight at ILPE's processing plant. (c) USIS.

Uruguayan fishery exports to the United States are all frozen products. Shipments for the first 6 months of 1976 were 569 t out of total exports of 4,582 t. Not included in this figure is a shipment of 1,586 t of whole frozen albacore that was exported by a six-vessel Taiwanese long-line fishing fleet operating out of Montevideo. For Uruguayan statistical purposes, the Taiwanese-caught albacore, which is stored in Montevideo until a sufficient quantity has accumulated for shipment, is treated as a transshipment. Without including albacore, Uruguayan exports to the United States are at about the same rate as in 1975 (table 5).

XI. FISHING COMPANIES

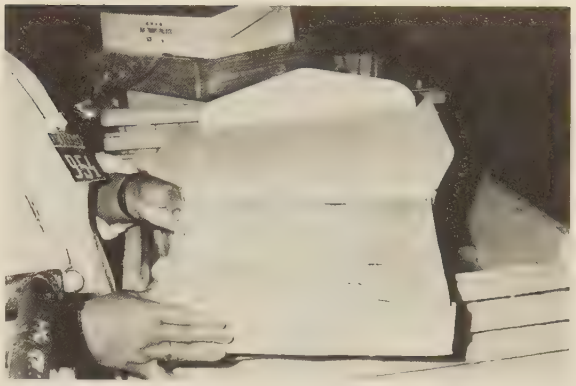


Figure 8.--Sea trout fillets, packaged by ILPE and ready for export. (c) USIS.

Out of some 30 plants authorized by the Government in 1974 to process fish, seven previously established plants and two new ones are now operating. Two more should be in operation by the end of 1976 and the construction on three other plants is expected to begin during 1977, bringing Uruguay's installed processing capacity to 99,000 t. Appendix C lists Uruguayan companies.

XII. GOVERNMENT AGENCIES

The National Fishing Institute (INAPE) of the Ministry of Agriculture and Fishing is responsible for the overall development of Uruguay's fishing industry. Under the direction of captain Ulises W. Perez, a naval officer, INAPE plans national fisheries policy and also provides advice and assistance to fishermen and fishing companies. INAPE itself does not own or purchase fishing vessels. It acts as an initial intermediary between private Uruguayan companies and foreign shipyards. Actual negotiations are between the private companies involved, and the Uruguayan Government is not responsible for a company's performance. INAPE, however, does set guidelines and standards and must authorize all purchases of vessels as well as approve financing terms.

INAPE is also responsible for sanitary inspection. A Fisheries Research Institute, belonging to the Veterinary School of the University of the Republic with an energetic, U.S.-trained director, offers technological know-how and training courses. This unit also operates a small pilot plant producing protein concentrate for human consumption and investigating new techniques and processes that might be used by the fishing industry. A mixed Commission consisting of representatives of the Government and private industry oversees the activities of a separate testing laboratory providing quality

control. Appendix D. gives addresses of Uruguayan professional associations and Government agencies.

Figure 9 .--ILPE's processing line. (c) USIS.

XIII. RESEARCH AND TRAINING

Scientific and technical research into oceanographic and fisheries problems is undertaken by INAPE in close cooperation with the Regional Advisory Commission for the Southwest Atlantic (CARPAS), an ongoing UNDP/FAO fisheries research and development project, and the Laboratorio Tecnologico del Uruguay (LATU).[1/] The oceanography and hydrography service of the Uruguayan Navy has also engaged in the study of fisheries problems, notably the remodeling of wharf and pier facilities. The training of master fishermen and crewmen is undertaken by the Government's vocational school, the Universidad del Trabajo del Uruguay (UTU). Veterinarians are trained by the Fisheries Research Institute of the University of the Republic.

XIV. DEVELOPMENT

The Uruguayan Government has given overall planning authority for fisheries development to the National Fishing Institute (Instituto Nacional de Pesca -- INAPE), which provides guidelines and must approve purchases of fishing vessels and processing plants. Private companies are expected to play a major role in increasing the fisheries catch to 200,000 t by 1980, the major part of which is destined for export.

To carry out this ambitious program, the fishing fleet will be increased to 70 modern vessels by 1980. Thirteen vessels have already been delivered by Argentine and Brazilian shipyards, and four more are expected to arrive by the end of 1976. Eighteen more vessels have been contracted for 1977 delivery from the same two countries and three more from a Chilean shipyard.

1/ A modern 30-m FAO research vessel, the Lamatra, will be stationed in Montevideo for another 2 years to conduct fishery investigations.

Figure 10.--The Dartesa IV, a new Brazilian built stern trawler, and La Paloma, one of Uruguay's older fishing vessels, tied up at Montevideo's fishing pier. Note how La Paloma's freeboard has been built up. (c) USIS.

INAPE has determined that the vessels should conform to the following general specifications: steel hull, 27 to 33 m long, engines of up to 700 horsepower capable of making 3 knots while trawling. These vessels are expected to work at sea for up to 2 weeks with crews of about 15 persons catching both demersal and pelagic species. The minimum acceptable carrying capacity is 50 m^3 and a refrigeration plant capable of keeping fish at -2°C. INAPE has stated that it will not allow the purchase of used boats, although it has authorized the purchases of vessels whose specifications, including length, varied somewhat from the above. Only steel hulls have been approved to date, but INAPE has stated that it is willing to consider other types of hulls, such as glass-reinforced plastic.

Two modern fish-processing plants are expected to begin operation in the next few months, and three more are being added by mid-1977. A total of 20 such plants, capable of processing 18,000 to 20,000 t of fishery products per year, are planned for operation by 1980.

XV. INTERNATIONAL AGREEMENTS AND FOREIGN FISHING

A. Argentina

The Treaty of the Río de la Plata, signed by Argentina and Uruguay on November 19, 1973, and ratified shortly thereafter, resolved outstanding boundary, fishing, and related issues between the two countries. Several articles of the Treaty provide for reciprocal fishing in the waters claimed by the two countries. In practical terms the Treaty permits the vessels of either country to fish in each other's waters with the exception of coastal strips 2 miles (3km) wide in the upper Río de la Plata, 7 miles (11 km) wide in the lower Río de la Plata, and 12 (19 km) miles wide along the ocean. These strips are considered exclusive national fishery zones by each country.

With these exceptions, Argentine vessels can fish in most of what, for all other countries, is considered by Uruguay to be its waters, and Uruguayan vessels are allowed to fish in the northern area of what for all other countries, is considered by Argentina to be its waters.[2/] Appendix E shows the two countries' common fishing zone.

B. Brazil

Uruguayan Foreign Minister Venancio Flores signed an Agreement on Fishing and Preservation of Live Resources with Brazil on December 11, 1968. The Agreement provided for a permanent four-member Brazilian-Uruguayan Fishing Commission empowered to study and report on fishery matters of common interest. The Commission was also authorized to draft an Accord to regulate fishing in the contiguous fishing zones of the two countries. As late as February 1973, talks were conducted between the two countries. However, they were unable to reach agreement on the provisions of an Accord. Because the capacity of the Uruguayan fishing fleet was small and unable to fully supply the existing processing plants, Brazilian and Argentine vessels were allowed to fish under license in Uruguayan waters and land the catch in Uruguay to contracted Uruguayan processors. The signing in late 1973 of a treaty with Argentina (see above) and Uruguay's decision to develop its own fishing fleet have caused a progressive decline in the number of licensed foreign vessels. Theoretically, Brazilian vessels can still continue to operate under license. However, as their catch has to be counted against Uruguay's share of the catch allowed in the common Uruguayan-Argentine waters, it seems unlikely that new licenses will be authorized. At present, only one Brazilian vessel continues to operate and the Uruguayan Navy makes periodic seizures of other unlicensed vessels.

A joint commission, headquartered in Montevideo, was established by the Treaty to apportion fishing quotas and prevent overfishing. It will also coordinate future measures that may be adopted by the two countries to protect fishery resources from water pollution.

XVI. JOINT VENTURES

A number of countries have proposed commercial agreements that would have permitted their factory trawlers to operate in Uruguayan waters. For example, Bulgarian and Uruguayan officials met for 3 days in Montevideo during the week of March 10, 1975, to discuss the possibility of fisheries cooperation. The talks were of an information-gathering and exploratory nature. The Uruguayan law on investments, the purchase of Uruguayan products, the investment of capital goods, and the creation of a joint Bulgarian-Uruguayan enterprise were discussed in detail. The Bulgarian delegation, headed by Dragni A. Nedev, the Director of the Bulgarian State Fishing Enterprise, proposed an agreement allowing Bulgarian stern factory and freezer trawlers to operate in Uruguayan waters. This offer was rejected by Uruguayan officials who noted that three domestically owned vessels of this type currently fish in Uruguay's coastal waters and that the country's development plans do not envisage authorizing additional factory trawlers.

INAPE is concerned that the growth of the fishing industry be controlled so that marine resources are not overfished. Government officials are aware of the damage done by overfishing in other countries. As previously mentioned, INAPE also believes that the expansion of the fishing industry can best be carried out by smaller stern trawlers delivering their catch to shore-based processing plants. Because of this, the Bulgarian offer and similar proposals by Poland and the Soviet Union have been rejected.

Both the Government and private industry welcome foreign investment, provided Uruguayan laws are complied with. Legal or administrative requirements include provisions that all vessels be new, that they fly the Uruguayan flag, and that crews (with some exceptions) be composed of at least 50 percent Uruguayan nationals. Only companies meeting these requirements would be eligible to operate vessels within Uruguay's claimed 200-mile (322 km) limit. The Bulgarian delegation mentioned above also expressed an interest in forming an Uruguayan-based fishing company, either as a joint venture or as a 100-percent Bulgarian-owned firm. The proposal included the construction of a fish-processing plant. While Uruguayan officials welcomed this possibility as long as Uruguayan requirements were met, no further steps have been taken.

Investments in the Uruguayan fishing industry are regulated by the Sea Law and the recently implemented Foreign Investment and Industrial Promotion laws. The two newer laws provide guarantees for approved investments, the remittance of profits and capital, and tax and tariff benefits. Foreign investment is welcome through wholly owned companies, subsidiaries, or joint ventures with local firms.

The fishing fleets of foreign countries continue to be welcome to use Montevideo as a home port and a base for fishing activity beyond Uruguay's 200 miles (322 km) limit. At present, a six-vessel Taiwanese tuna fleet operates out of Montevideo, storing the fish on shore until a sufficient amount has accumulated for shipping. In the first 6 months of 1976, the Taiwanese transhipped nearly 1,600 t of frozen whole

2/ The limits of the two reciprocal fishing zones are defined as two circumferences of 200 nautical-mile radius, whose centers are located respectively at Punta del Este (Uruguay) and Punta Rasa on Cabo San Antonio (Argentina).

albacore worth US$700,000 to the United States. One local firm, in addition to processing fish, plans to complete a modern freezing facility of 26,000 m^3 by mid-1977 (appendix C). This firm is actively seeking to interest U.S. or other foreign firms in the possibility of basing foreign fishing vessels in Montevideo and storing their catch in the company's cold storage plant for domestic sale or, more likely, for export.

XVII. FOREIGN AID

A UNDP/FAO Fisheries Research and Development Project became operational in 1972, to assist the Uruguayan Government in resource evaluation, fisheries administration and planning, processing technology, and marketing. Scheduled for completion in December 1976, the Project involves the use of a modern and well-equipped 30-m research vessel.

XVIII. OPPORTUNITIES FOR U.S. COMPANIES

Financing remains an important factor as with almost all trade opportunities in Uruguay. Argentina and Brazil offer 8-year financing on very attractive terms (5 percent down, a 2-year grace period after delivery, and 6 years to pay at 7.5 percent interest). While it may not be possible for U.S. firms to match these terms, competitive terms are necessary. INAPE has emphasized its hope that United States shipyards will enter the Uruguayan market. One United States shipbuilder has sold three stern trawlers through its Chilean subsidiary. Other sales opportunities exist for the many components such as engines, winches, and gear necessary to equip new fishing vessels.

A U.S. Department of Commerce catalog show in 1974 demonstrated a high interest in U.S. products by the Uruguayan fishing industry. Over 80 U.S. companies had catalogs in the show, including shipyards and manufacturers of electronic, navigational, processing, and freezing equipment. Uruguay seems determined to continue the development of its fishing industry. The competitive position of U.S. products is good, as U.S. equipment and machinery are often preferred because of their high technical standards. If suitable financing terms are also available, U.S. suppliers should be able to take advantage of the continuing development of the fishing industry. United States manufacturers and shipyards interested in marketing their products in Uruguay should contact both the Department of Commerce and the U.S. Embassy in Montevideo for assistance:

Transportation and Capital Division
Bureau of Domestic Commerce
Room 1124
U.S. Department of Commerce
Washington, D.C. 20230

Economic/Commercial Section
U.S. Embassy, Montevideo
c/o U.S. Department of State
Washington, D.C. 20520.

Uruguay is far from the United States, and not likely to be on the normal sales route of most United States companies. Nevertheless, U.S. firms may wish to weigh the advantages of visiting here, especially if a future sale is planned or if exploration trips to larger, neighboring countries are planned by sales personnel . Representatives of one U.S. shipyard recently did so, and prospects are encouraging that the first sale of U.S. fishing vessels will be concluded soon. As in the United States, personal attention is always desirable and appreciated. Invitations to prospective customers who may be travelling to the United States on other business might be useful.

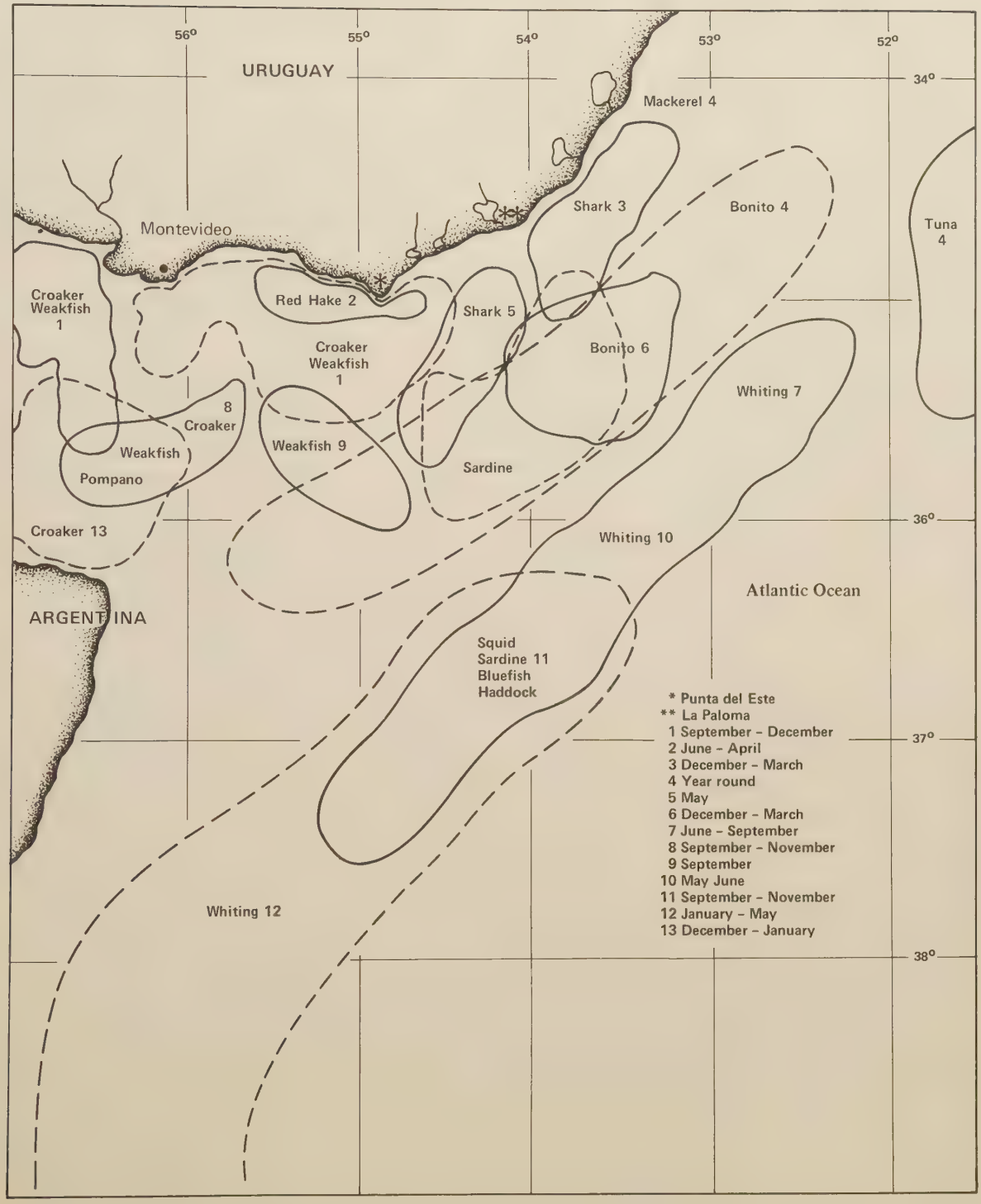
If direct contact is not possible, the selection of a local commission agent, distributor, or branch office (depending on the product offered) is recommended. Such local representatives provide continuous contact with the fishing industry and Government agencies. In most cases, given distance and the size of the potential market, this would appear to be the most effective way for U.S. firms to compete. A recent $300,000 sale of a prefabricated modular freezing chamber (albeit to the meat-packing industry) was made in this way. Local commission agents closely follow developments in potential sales areas and are in the best position to react quickly to trade opportunities. The U.S. Department of Commerce, through its Regional Offices, also offers assistance to U.S. exporters in contacting suitable agents or distributors.

U.S. companies, not already represented here or without direct contact with local companies, should also consider sending their brochures and sales literature directly to the companies listed in appendix C, as well as to INAPE. Communications addressed to INAPE (appendix D) will be circulated to potential customers in the private sector. Such action will also provide INAPE with the latest information on U.S. products, a fact which is often taken into account when preparing sales documents or considering requirements and specifications. Correspondence in Spanish, while not essential, is preferable. In conclusion, as the industry develops, opportunities exist in Uruguay for United States exporters, but increased efforts by United States firms will be needed to realize the potential of growning trade opportunities.

XIX. ACKNOWLEDGEMENTS

The authors hereby express their appreciation to Captain Ulises W. Perez, Director of the National Fishing Institute and Dr. Victor N. Bertulo, Director of the Fisheries Research Institute for their invaluable assistance in preparing this report. In addition, George Delgado, Transportation and Capital Division, Bureau of Domestic Commerce, U.S. Department of Commerce helped provide needed background information.

Appendix A.--Uruguayan fishing grounds



Note: These fishing zones are meant to illustrate general fishing areas and are subject to seasonal and annual variations.

Appendix B.--Uruguayan fishery species and fishing seasons

Local Name	English Name	Scientific Name	Fishery Season	
			In Uruguay	In Argentina
Merluza	Whiting	Merluccius merluccius hubbsi	Apr.-Nov.	Sep.-Mar.
Brótola	Red hake	Urophysis brasiliensis	Year round	Year round
Abadejo	Haddock	Genypterus blacodes	Apr.-Aug.	Sep.-Mar.
Corvina	White or drum croaker	Micropogon furneri or micropogon opercularis	Year round	Year round
Pescadilla	Weakfish or spotted sea trout	Cynoscion striatus	Year round[1/]	Sep.-Mar.
Pargo blanco	Porgy	Umbrina canosai	Jun.-Aug.	Jun.-Aug.
Pargo rosado	Porgy	Pagrus decipens	Year round	--
Anchoa de banco	Bluefish	Pomatomus saltatrix	Feb.-Aug.	--
Burel	Young snapper			
Caballa	Mackerel	Scomber japanicus marplatensis	Sep.-Mar.	Sep.-Mar.
Sargo	Sea bream	Diplodus argenteus	Apr.-Nov.	Apr.-Nov.
Bonito	Bonito	Sarda sarda	Year round	--
Albacora	Albacore	Thunnus alalunga	Year round	--
Atún de aleta azul	Bluefin tuna	Thunnus thynnus	Year round	--
Atún de aleta amarilla	Yellowfin tuna	Thunnus albacares	Year round	--
Atún de ojos grandes	Bigeye tuna	Thunnus obesus	Year round	--
Anchoita	Uruguayan sardine	Engraulis anchoita	Mar.-Oct.	Oct.-Mar.
Palometa	Atlantic pompano	Parona signata	Year round	--
Pinta roja	Shark	Notorhynchus oscellatus	Year round	--
Cazón	Shark	Mustellus schmitti	Year round	--
Sarda	Dusky shark	Carcharias platensis	Year round	--
Cazón vitamínico	Smooth dogfish	Galeorhynus vitaminicus	Jun.-Aug. and Oct. - Nov.	--
Pez ángel	Angelfish	Squatina spp.	Year round	Year round
Guitarra	Guitarfish	Rhinobatus percellens	Year round	Year round
Pez gallo	Chimaera	Callorhynchus callorhynchus	Year round	Year round
Rouget	Rosefish	Helicolenus dactylopterus	Year round	Year round
Chanchito	Tilefish	Pinguipes fasciatus	Apr.-Aug.	Year round
Lenguado	Flounder	Paralichthys brasiliensis	Year round	Year round
Langostino	Shrimp	Penaeus schmittii, brasiliensis, and paulensis or aztecus	Year round	--
Siri	Blue crab	Callinectes danae (sapidus)	Sep.-Mar.	--
Centoya	King crab	Lithodes antarcticus	Jun.-Aug.	Sep.-May
Almeja	Soft clam	Mesodesma mactroides	Sep.-Mar.	Sep.-Mar
Ostra	Oyster	Ostrea puelchiana and spreta	Year round	--
Mejillón	Mussel	Chloromya achatina, Mytilus spp.	Year round	--
Berberecho	Other mollusks	Various species	Year round	--
Calamar	Squid	Loligo brasiliensis	Jun.-Aug.	--

1/ Catches are at a maximum during the summer.

Part I - Seafood processors and fishing companies
Part II - Miscellaneous concerns

The relative size (in Uruguayan terms) of the firm, when known, is indicated as:

* Small ** Medium *** Large

Companies now seeking quotations for equipment are underlined for easier identification. No responsibility is assumed by the U.S. Government for the performance of the firms contained on this list.

Part I - Seafood Processors and Fishing Companies

** BARRERE S.A., E.
Casilla de Correo 280
Calle J.M. Blanes 1080
Montevideo, Uruguay
Eleazar O. Puig, President
Phone: 4.29.03
Offers fresh and frozen whole round, headed and gutted (H&G), and filleted croaker, weakfish, shark, and other ocean fish. Also produces salted shark, shark liver oil, and shark fin. Cans fish, mussel, clam, periwinkle, and octopus. Plant at Costa Azul, La Paloma, Department of Rocha, Uruguay. The firm owns two small side trawlers and contracts six others operating off La Paloma. Exporter.

CALON S.A.
Calle Asunción 1195
Montevideo, Uruguay
Jorge Ferres, Director
Phones: 50.31.29 and 8.70.27
Firm recently began operating two 60-t capacity Brazilian-built stern trawlers, and plans to offer frozen H&G and filleted whiting, croaker, weakfish, red porgy, and other ocean fish processed by third parties in Montevideo.

* COMPANIA URUGUAYA DE PESCA S.A. (CUPSA)
Calle Mercedes 949
Montevideo, Uruguay
Rubens Montañez, Managing Director
Phone: 8.49.00
Offers fresh and frozen whole round, H&G, and filleted croaker, weakfish, and lake fish. Buys its raw materials from third parties. Plant on Calle 1° de Agosto s/n, Rocha, Department of Rocha, Uruguay. Exporter.

** DARTESA
Rambla Baltasar Brum 2986
Montevideo, Uruguay
Dugaldo González, President
Phones: 28.10.21/23
Telex: Dartesa UY 321
Offers frozen whole round, H&G, and filleted croaker, weakfish, whiting, red hake and other ocean fish. Operates two 52-t capacity and two 73-t capacity refrigerated stern trawlers off Montevideo. The company occupies a large, fairly modern building near Montevideo's fishing pier and hopes to expand its processing capability for export. Exporter.

DECANO S.A.
Calle Rio Negro 1354, P.3, Of. 16
Montevideo, Uruguay
Hugo García Gutiérrez, President
Phone: 91.61.08
Processing operations began in mid-1976, and the plant prepares frozen whole round, H&G and filleted ocean fish for export. DECANO purchases fish locally and does not operate ships .

* FRIGORIFICO PESQUERO DEL URUGUAY (FRIPUR)
Calle General Freire 1181
Montevideo, Uruguay
Maximo Fernandez Alonso, Director
Phone: 20.43.42
Offers fresh and frozen H&G and filleted whiting, croaker, and other ocean fish. Buys its raw materials locally. FRIPUR is enlarging its plant facilities substantially at the address given above. It also hopes to take delivery of three stern trawlers contracted from a shipyard in Chile by mid-1977. Exporter.

* FRIGOPEZ S.A.
Av. 18 de Julio 1474, P.10, Of. 1002
Montevideo, Uruguay
Roberto Amor, Director
Phones: 29.73.42 and 20.70.23
Offers fresh and frozen whole round, H&G, and filleted whiting, croaker, Uruguayan pompano, sea bream, red porgy, weakfish, and shark. Buys its raw materials locally. Plant on Calle Solano Lopez 1717 bis, Montevideo, Uruguay. Exporter.

FRIGERSEN S.A.
Calle Treinta y Tres 1385
Montevideo, Uruguay
Jorge Rodríguez Veiga, President
Phones: 8.51.62 and 8.75.16
Telex: CRISTUY 921
An affiliate of Christophersen S.A. (Part II), Frigersen owns a new 100-t capacity stern trawler/purse seiner fishing whiting, croaker, weakfish, and other ocean fish. Catch is processed by an associate company, Ocean Export S.A., which offers frozen whole round, H&G, filleted, canned, dried, salted, and smoked fish to foreign buyers.

* FERNANDEZ, C.A.
Av. Centenario 3581
Montevideo, Uruguay
Carlos A. Fernandez, Director
Phone: 58.90.10
Offers fresh and frozen whole round, H&G, and

filleted river fish currently for the Brazilian market. Dries shark meat for local consumption. Buys its raw materials locally and rents the premises of a cold storage firm. Fernandez plans to build a new plant on Pasaje Denis 3434, Capurro, Montevideo. New facilities would allow exports to other countries.

* INDUSTRIAL PESQUERA LA PALOMA S.A.
Calle República 1753
Montevideo, Uruguay
Eduardo Sanchez, President
Phone: 40.45.13
Cable: LAPALOMA
Telex: AERFLET UY 266
Processing operations are scheduled to begin in late 1977 at Costa Azul, Department of Rocha, Uruguay. Plans call for the preparation of frozen whole round and H&G shark and, during off-seasons, frozen whole round, H&G, and filleted bluefish, croaker, and whiting for export. Firm is buying two 50-t capacity stern trawlers in Brazil to fish off the nearby fishing port of La Paloma.

INDUSTRIAL PESQUERA S.A. (IPESA)
Calle 26 de Marzo 3468
Montevideo, Uruguay
Walter Romero, President
Phone: 78.65.12
Company-owned 150-t capacity stern trawler being built in Brazil and due for delivery in late 1967 will catch seasonal fish for export to be processed by a third party in Montevideo. IPESA welcomes quotations for fish processing plants, as its plans call for eventual construction of a fishing terminal in Montevideo.

** INDUSTRIAL SERRANA S.A. "COSTAMAR"
Calle Paysandu 1261
Montevideo, Uruguay
Ricardo González, Managing Director
Phone: 8.63.37
Offers frozen whole round, H&G, and filleted croaker, weakfish, whiting, and other ocean fish. Also cans albacore, whiting, mullet, etc., as well as mussel, periwinkle, oyster, clam, and octopus. Produces fish meal and oil. Buys its raw materials usually from fishermen operating off Piriapolis, a seaside resort some 120 km east of Montevideo. Its plant is at Solis de Mataojo, Department of Lavalleja, Uruguay. Exporter.

*** INDUSTRIAS LOBERAS & PESQUERAS DEL ESTADO (ILPE)
Terminal Pesquera
Rambla Baltasar Brum & Chel. Francisco Tajes
Montevideo, Uruguay
Navy Captain Hector A. Musto, Director
Phones: 29.34.09 and 29.00.84
Founded in 1945 as a fishing and seafood research agency of the Uruguayan Government -- Servicio Oceanográfico y Pesca (SOYP) -- now ILPE; currently only undertakes fishing and sealskin processing operations commercially. Its fish processing plant and tannery are located separately in Montevideo's port area, and its shark meat drying facility is at La Palma, Carretera a La Paloma, Department of Rocha, Uruguay. The agency offers fresh, chilled, and frozen whole round, H&G and filleted croaker, weakfish, whiting, and other ocean fish, as well as H&G and whole round frozen tuna. Also fresh and frozen squid, octopoda, fish roe, and shrimp. It also produces fish meal. Processing terminal has large cooling and freezing chambers as well as IQF equipment. Local distribution of processed seafood is contracted to a dealer network covering the entire country. Exporter. Operates four old side trawlers.

INDUSTRIAS PESQUERAS DEL PLATA S.A.
Calle Sitio Grande 1331
Montevideo, Uruguay
Alberto Garcia Scheitler, President
Phones: 29.13.17 and 20.13.73
Telex: INFOPLA UY 475
Offers frozen whole round, H&G, and filleted whiting, weakfish, croaker, red porgy, and other ocean fish processed by a third party in Montevideo. Operates one 100-t capacity stern trawler off Montevideo.

INPESUR S.A.
Calle Sarandí 544
Montevideo, Uruguay
Carlos Ma. Bosch, President
Phone: 8.25.23
Company-owned 160-t capacity stern trawler being built in Brazil and due for delivery in late 1976 will catch whiting, croaker, weakfish, and other seasonal fish for export. Processing will be by third parties in Montevideo.

** MISCOL S.A.
Cno. Veracierto 3078
Montevideo, Uruguay
Hugo Copelloti, Manager
Phones: 58.02.43 and 58.02.19
Offers frozen whole round, H&G, and filleted croaker, sea trout, hake, weakfish, and other ocean fish. Buys its raw materials locally. Exporter.

** OCEAN EXPORT S.A.
Calle Hocquart 1924
Montevideo, Uruguay
Juan Bursztyn, President
Phone: 49.25.20
Offers frozen whole round, H&G, filleted, canned, dried, salted and smoked whiting, croaker, weakfish, and other ocean fish. A subsidiary of Christophersen S.A. and an associate of Frigersen S.A., the firm processes for both and also sells on its own account. Catch is provided by Frigersen's trawler operating off Montevideo. Ocean Export is building a new processing plant scheduled for date 1976.

PESCASUR S.A.
Calle Zabala 1372, Esc. 39
Montevideo, Uruguay
Carlos V. Asnarez, President

Phone: 91.71.02
Company-owned 60-t capacity stern trawler being built in Brazil will catch seasonal ocean fish for export to be processed by third party in Montevideo.

PESCATLANTICA S.A.
Calle Colon 1482, Of. 11
Montevideo, Uruguay
Eduardo Paz Aguirre, Director
Phones: 8.25.31 and 98.56.42
Offers frozen whole round, H&G, and filleted whiting and other ocean fish. Operates two 750-t capacity trawlers. Onboard processed catch is frozen and stored for export in Montevideo by third parties.

PESQUERIAS BELNOVA S.A.
Calle San José 978, Of. 103
Montevideo, Uruguay
Julio Lacarte Muro, President
Phone: 98.48.78
Telex: BELNOVA UY 270
Offers frozen H&G and filleted whiting, haddock, redfish, and other ocean fish as well as whole squid and roe. Operates one 300-t capacity stern trawler. Onboard processed catch is frozen and stored for export in Montevideo by third parties.

TRASMARU
Calle Misiones 1361, P.7, Of. 59
Montevideo, Uruguay
Washington Novelli, Director
Phone: 91.39.16
Cooperative society has just purchased one 80-t capacity stern trawler in Argentina, will catch ocean fish for the local market and for export. Trasmaru is also planning to build a fish processing plant at its site in Piriapolis. It welcomes quotations for prefabricated building structures as well as financial and technical proposals for equipment.

URUMAR S.A.
Casilla de Correo 2310
Calle Vigo 3441, Cerro
Montevideo, Uruguay
Hugo Diaz, Managing Director
Phone: 31.10.25
Cable: URUMARSA
Telex: UY 461
Processing operations are scheduled to begin in late 1976 or early 1977 at a large, modern plant now under construction. Plans call for the preparation of frozen H&G and filleted whiting, weakfish, and croaker. It will also offer fish meal and fish oil for local consumption. Company welcomes quotations for new steel stern trawlers, but will begin operations buying from other fishing companies.

Part II - Miscellaneous Concerns

ACER S.A.
Calle Carda 3078
Montevideo, Uruguay
Antonio Santin, President
Phones: 58.51.10 and 58.95.39
Processing operations are scheduled for mid-1977 in Montevideo. Plans call for the preparation of frozen whole round, H&G, and filleted ocean fish for export. Raw material to be purchased locally. Acer will also open a modern 26,000-t capacity frozen storage facility and would welcome inquiries from potential customers, especially foreign fleets interested in basing their operations in Montevideo and fishing outside of Uruguay's claimed 200-mile limit.

CHRISTOPHERSEN S.A.
Calle Treinta y Tres 1385
Montevideo, Uruguay
Jorge Fernandez, President
Phones: 8.51.62 and 8.75.16
Telex: CRISTUY 921
Shipping agent representing a Taiwanese company fishing tuna outside of Uruguayan waters. Christophersen offers whole round and H&G tuna processed by its subsidiary Ocean Export S.A. (See Part I.) It is also the parent company of Frigersen S.A.

GROSSO & CIA. LTDA. "Industria Pesquera Atlántico Sur"
Calle 25 de Mayo 477, Esc. 88
Montevideo, Uruguay
A. Martinez Cobas, Director
Phone: 8.74.81
Offers dried shark meat for local consumption, but welcomes foreign purchases. Buys its raw material from fishermen operating from the vicinity of its processing facility at Barra del Chuy, Department of Rocha, Uruguay.

Appendix D.--Professional associations and Government agencies in Uruguay

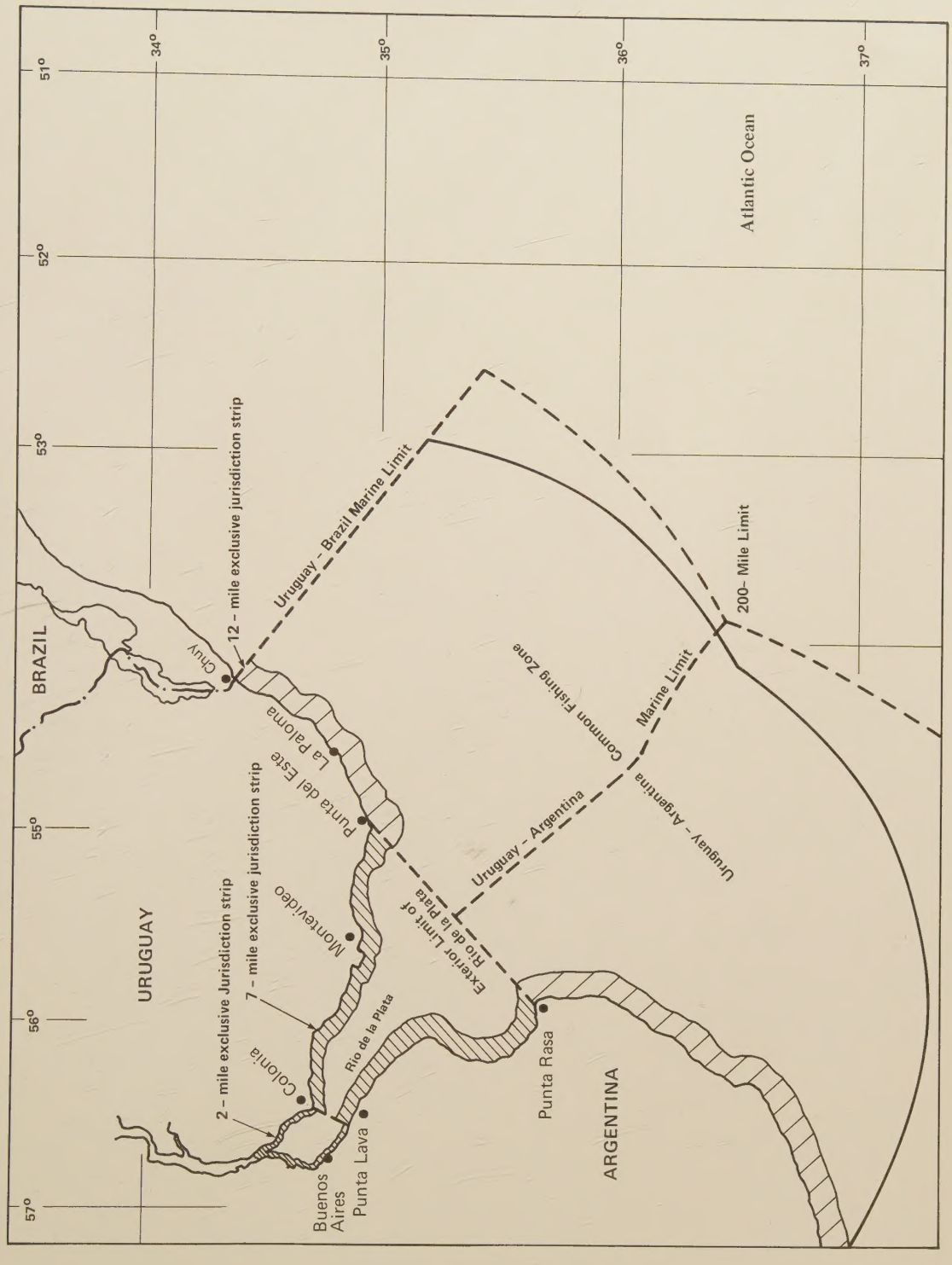
ASOCIACION PESQUERA DEL URUGUAY
Av. Agraciada 1670, P.1
Montevideo, Uruguay
Dugaldo González, President
Founded 1971. Members 10. Association of seafood processors interested in the improvement of the local fishing industry.

CAMARA DE ARMADORES DE EMBARCACIONES DE PESCA DEL URUGUAY (CAEPU)
Calle Canelones 1206
Montevideo, Uruguay
Arturo Toscano, President
Founded 1975. Members 23. Fishing vessel owners and seafood processors acting in the interest of both sectors.

INSTITUTO DE INVESTIGACIONES PESQUERAS
Planta Piloto
Calle Tomas Basañez 1160 y Rbla. Armenia, Buceo
Montevideo, Uruguay
Victor N. Bertullo, Director
Phone: 79.84.12
Laboratory and research agency of the University of the Republic, (in turn a dependency of the Uruguayan Ministry of Education and Culture), offering technical training and know-how to veterinary undergraduates studying seafood processing. Operates a new experimental pilot plant investigating the production of food from sea life.

INSTITUTO NACIONAL DE PESCA (INAPE)
Calle Julio H. & Obes 1475
Montevideo, Uruguay
Captain (C/N) Ulises W. Pérez, Director
Agency of the Ministry of Agriculture and Fishing serving as both consulting and supervisory body for the fishing sector in Uruguay. Issues quality-control certificates approved by the Laboratorio Tecnológico del Uruguay, a mixed Government-private organization entity operating a modern laboratory testing fresh and frozen samples of seafood shipments.

Appendix E.--Uruguayan-Argentine common fishing zone



ote: The zones pictured above are approximations and are not meant as an authoritative depiction.

NOAA--S/T 77-2602